

HOUSE BILL 392

By Fincher

AN ACT to amend Tennessee Code Annotated, Title 8 and Title 39, relative to pension funds.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 39, Chapter 14, Part 1, is amended by adding the following language as a new section:

Section 39-14-153.

(a) No person employed or appointed as a manager, trustee or officer of a pension fund shall intentionally commit or engage in any false or fraudulent conduct, representation or practice to the detriment of the pension fund.

(b) A violation of subsection (a) is punishable as theft pursuant to § 39-14-105.

(c) The pension fund, or any member of the pension fund, shall have a civil cause of action against any person found in violation of this section for all funds mismanaged, misappropriated or mishandled and any funds reasonably construed as constituting net profit or personal enrichment for such person.

Repayment of funds pursuant to this subsection (c) shall be in addition to payment of any fine imposed pursuant to subsection (b).

SECTION 2. This act shall take effect July 1, 2009, the public welfare requiring it.